



**COUNCIL SUBCOMMITTEE ON ECONOMIC DEVELOPMENT**  
**APPROVED SUMMARIZED MINUTES**

March 20, 2014

4:00 p.m.

Scottsdale Civic Library

3839 N. Drinkwater Blvd, Scottsdale, AZ 85251

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**PRESENT:** Mayor W.J. "Jim" Lane  
Councilman Dennis Robbins  
Councilwoman Linda Milhaven

**STAFF:** Carol Damaso, Library Director  
Michael Beck, Adult Services Coordinator  
Danielle Casey, Economic Development Director  
Kelly Ward, Senior Assistant City Attorney  
William Hylen, Assistant City Attorney  
Robert Tunis, Economic Development Manager  
Mark Paratore, Economic Development Specialist

**GUESTS:** Jim Cook, Director, ASU Entrepreneurship & Innovation Group

**Call to Order/Roll Call**

Mayor Lane called the regular meeting of the Council Subcommittee on Economic Development to order at 4:07 p.m. A formal roll call confirmed members present as stated above, noting the presence of a quorum.

**1. Approval of February 13, 2014 Minutes**

**COUNCILWOMAN MILHAVEN MOVED TO APPROVE THE MINUTES OF THE FEBRUARY 13, 2014 MEETING OF THE COUNCIL SUBCOMMITTEE ON ECONOMIC DEVELOPMENT AS PRESENTED. COUNCILMAN ROBBINS SECONDED. THE MOTION CARRIED UNANIMOUSLY BY A VOTE OF THREE (3) TO ZERO (0).**

**2. Eureka Loft Status Update**

Carol Damaso, Library Director, said Arizona's libraries are demonstrating leadership by encouraging entrepreneurialism through library services, and Scottsdale is well positioned in that regard. Michael Beck, Adult Services Coordinator, said the Eureka Loft has been a great success since it started nearly one year ago. It has become a place to connect people through a wide variety of programs. The Loft merges business resources with reference trained librarians and collection materials, computers and technology. This idea utilizes City resources to their best capability. Unlike other incubators, every service at Eureka Loft comes free of charge to citizens, through the partnership with ASU and Economic Development. Workshops are offered in financing, marketing, technology, business startups, and other subjects. The Senior Corps of Retired Executives offers advice to people who want to learn how to start a new business. The Arizona Commerce Authority helps aspiring business owners navigate the legal filings process. Eureka was awarded a \$50,000 Library Services and Technology Act grant to help fund support staff.

Mr. Beck said Eureka Loft has been responsible for creating jobs in the community. All of the established metrics for the first year have been greatly exceeded. Five confirmed businesses have completely cycled through the Secretary of State's website, and another eight are in the process of being confirmed. The Loft has already received 6,000 visitors, and reached 2,000 program attendees. Mentoring appointments have been very successful. The website provides schedule information and business resources. Entrepreneurs are regularly gathering to form their own networking groups. Nearly 55% of the people who have visited Eureka have never been to the library, and are using one for the first time. Anybody can come through the door and see their business ideas come to fruition.

Jim Cook, Director, ASU Entrepreneurship & Innovation Group, said no other library in the U.S., Europe or Asia has anything like Eureka Loft. The project democratizes entrepreneurship and puts Scottsdale in a leadership position. The effort has exceeded all expectations. A statewide network of libraries will enable Scottsdale entrepreneurs to talk to people around the state. Future initiatives will specifically reach out to teens and underserved populations.

Mayor Lane said Eureka Loft is something to be proud of. It only took nine months to exceed the goals set for the first year. Ms. Damaso said that in order for libraries to remain vital to their communities, they have to adapt to the needs of citizens by providing the information that can be helpful to them.

Councilwoman Milhaven asked why Scottsdale's program has enjoyed more success than other places. Ms. Damaso said part of the reason was that Scottsdale was first to try the idea. The three partners have been very committed to making it work, and the staff has been very supportive. Many libraries are concerned about limited staff availability, but she feels that existing staff should be redirected to whatever the community wants. Mr. Cook said ASU is available to provide help when needed, but the community effort is what has made it a success. ASU and Scottsdale have already partnered together in SkySong, so it has been easy to adapt that success to Eureka Loft. This tool is something that Scottsdale can leverage to sell the community to entrepreneurs.

Mayor Lane inquired about the steps Scottsdale would have to take to maintain its leadership position. Mr. Beck responded that networking has been and will continue to be a key component in the success of Eureka Loft, as will relationship building with strategic partners.

### **3. SizeUp Local Business Intelligence Tool Presentation**

Bob Tunis said SizeUp is a new online tool that can help small and medium-sized businesses identify how to achieve cash flow, learn who their competitors are, outperform their competition, and find the best places to advertise. It allows them to customize data specific to industry and location. SizeUp is embedded within the [choosescottsdale.com](http://choosescottsdale.com) website and customized to the Scottsdale service area. Businesses only have to enter four pieces of information: revenue, year started, employee salaries, and the number of employees. No information entered into the system is retained. The toolset will then analyze a number of variables that compares each business to the overall market. The cost-effectiveness of a business can be measured by dividing the annual revenue produced per employee by the average annual worker salary. It also allows business owners to forecast how many employees they could expect to replace each year. The information comes from about 20 different credible sources, and explains where the sources are coming from.

Mr. Tunis said SizeUp also reveals where potential customers and competitors are, and identifies available local suppliers. The advertising analysis shows where the highest

expenditures are for each sector, and reveals the most underserved areas. Users can modify a series of parameters to tailor the information to their specific needs. This information is useful for determining where to most effectively establish new businesses.

Mr. Tunis said Scottsdale is the first economic development department in Arizona to offer SizeUp. It provides information to owners of any size business that would otherwise only be available to large corporations. Mark Paratore, Economic Development Specialist, stated that staff will offer a live public tutorial on April 16<sup>th</sup>.

#### **4. Economic Development Report**

Danielle Casey reported that the Economic Development team will be moving into office space at the Civic Center Library next to Eureka Loft. The move will create a one-stop shop for business support services. A new small business series featuring different City departments will be offered once a month.

Ms. Casey said the Economic Development Strategic Plan is moving forward with research on target industries and is in the process of finalizing the SWOT report. A City Council work study session is planned for April 29<sup>th</sup>, and the full report will be presented to the City Council for adoption on May 13<sup>th</sup>.

Ms. Casey reported that in February, economic development logged 11 new unique business leads. There were five major employer business retention visits. Eight active projects are in the pipeline. The City of Scottsdale joined Greater Phoenix Economic Council (GPEC) on a road show to Vancouver. Sixty companies that attended learned more about Scottsdale as a place to do business. GPEC brought several national site selectors to visit the region, and they stayed in Scottsdale. Scottsdale has been chosen to host the annual summit of the Responsible Hospitality Institute later this year.

#### **5. Open Call to the Public (A.R.S. §38-431.02)**

No members of the public wished to speak.

#### **6. Future Agenda Items**

None.

#### **Adjournment**

With no further business before the Subcommittee, the meeting adjourned at 5:59 p.m.

Respectfully submitted,  
A/V Tronics, Inc. DBA AVTranz.